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PRESS RELEASE

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Peter Hall, United States Attorney for the District of Vermont and Eliot Spitzer, New York State Attorney General, announced that a federal grand jury in Rutland today returned a superseding indictment against seven individuals charged in connection with crimes stemming from the operations and recent failure of the Law Centers for Consumer Protection, a debt-reduction business that operated in Bennington. This past March, the grand jury returned a series of fraud and forfeiture charges against Andrew Capoccia, 61, of Guilderland, NY; his wife Carol Capoccia, 51; Howard Sinnott, 53, of Bennington; Thomas Daly, 42, of Clifton Park, NY; Shirley DiNatale, 58, of Albany, NY; Rodger Kolsky, 60, of Schenectady; and Carlo Spano, 72 also of Guilderland.

Today's superseding indictment alleges several new crimes. Andrew Capoccia, Howard Sinnott and Tom Daly are charged with fraudulently diverting unearned client retainer fees to their benefit and the benefit of others. Thomas Daly faces new charges that he falsified his federal tax returns for 2000 and 2001 by omitting significant amounts of bonus money allegedly paid to him by the Law Centers. The superseding indictment also accuses Carol Capoccia of obstructing the search of her home that was conducted in March 2002 by law enforcement authorities executing a court-ordered warrant. The new indictment also consolidates a number of charges that had been included in the original indictment.

Like the original indictment, the superseding indictment seeks to forfeit from various defendants more than \$4 million in cash and other property that allegedly constitutes proceeds of the fraudulent activity.

According to court records, Andrew Capoccia formed the Andrew F. Capoccia Law Centers, a predecessor to the Law Centers for Consumer Protection, in Albany in 1998. In November 1999, the New York Attorney General filed a civil fraud suit against the Capoccia Law Centers alleging that

the firm engaged in deceptive business practices by falsely misrepresenting its ability to negotiate reductions in consumers' debts. Capoccia, formerly a New York attorney, was disbarred in September 2000. Shortly before the disbarment, Capoccia sold the Law Centers to Howard Sinnott, an attorney who had formerly been one of Capoccia's employees. At that time, Sinnott moved the business from Albany to Bennington.

In March 2002, agents of the Federal Bureau of Investigation, the New York State Attorney General's Office and the New York State Police raided LCCP's offices in Vermont, as well as the home of Andrew and Carol Capoccia near Albany, amid allegations that partners, employees and other persons connected with the Law Centers had participated in a scheme to divert several million dollars in client funds from Law Centers accounts. At about the same time, U.S. Marshals seized about \$2.6 million from several bank accounts; most of the money was in accounts in the name of Carol Capoccia.

The defendants all have pleaded not guilty to the charges in the original indictment. They will be arraigned on the charges in the superseding indictment in the near future.

Law enforcement authorities caution that the charges in today's indictment are merely accusations and that the defendants are presumed innocent unless and until they are proven guilty.

Most of the charges in today's indictment carry maximum possible penalties of either five or ten years' imprisonment on each count, and fines of up to \$250,000 per count. The actual sentence in the event of conviction would be determined in accordance with federal sentencing guidelines.

This case has been investigated by the Burlington Office of the FBI, the New York State Attorney General's Office and the New York State Police.